



Wright Water Engineers, Inc.

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Mr. Mark Van der Puy
Department of Energy
Rocky Flats Plant, T130A
P.O. Box 928
Golden, CO 80402-0928

Re: Interim Status Report on Option B Analyses

Dear Mr. Van der Puy:

Mr. Farrel Hobbs of EG&G has requested that we provide your office with an interim status report on our analyses of the Option B proposal by the cities. We are continuing our analyses and as more information is developed, our interim conclusions may change accordingly.

In our analyses we have not questioned the fundamental concepts of Option B. For instance, we have assumed that an equivalent replacement water supply for Great Western Reservoir must be provided, all flows up to the 100-year flood possibly affected by Rocky Flats must be diverted around Standley Lake, and the Kinnear Ditch must be replaced.

We have assumed that there will be an audit of expenditures under this program using federal guidelines for projects of this magnitude and costs for accomplishing these goals must be justifiable and defensible. To assist us in our analyses, we have retained the services of Holme, Roberts & Owen for legal issues, Ernst & Young for audit procedures, and W.W. Wheeler Consulting Water Engineers for peer review.

With these assumptions, there are several cost items which do not appear to be fully justifiable and defensible at this time. There are also several administrative uncertainties which should be resolved prior to implementation of Option B. We are working on answers to these administrative questions.

Costs

- The Windy Gap project can provide Broomfield an equivalent replacement water supply using 39.00 rather than 42.93 shares, a shorter pipeline from Boulder Reservoir rather than Carter Lake and continued use of the existing water treatment plant. These charges would represent a present worth cost reduction of \$17,900,000.
- The Woman Creek Pump Station is not needed to pump water from the proposed Woman Creek Reservoir to Walnut Creek. The stored water can be routed around Standley Lake via the Standley Lake bypass canal proposed by Westminster. This would be a cost reduction of approximately \$2,600,000.
- The Kinnear Ditch does not have to be put into a pipeline across Rocky Flats to protect its quality. It can be consolidated with another ditch (Last Chance Ditch) owned by Westminster and the water can be adequately delivered to Standley Lake. This would be a cost reduction of approximately \$1,500,000.

ADMIN RECORD

A-SW-001264

Administrative

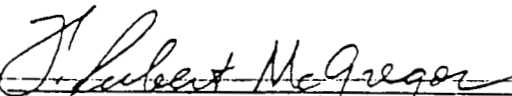
- Other potential water supplies could be available to Broomfield and may be less expensive than Windy Gap. These include an expansion of the Denver water supply contract and a new reservoir outside the influence area of Rocky Flats. Are these alternatives to be considered in determining a justifiable and defensible cost for Option B? We are evaluating these options for the record.
- Who will own and maintain Great Western Reservoir? Great Western Reservoir is a high hazard dam and is in need of repairs for continued use. Who will receive the benefits and bear the expenses of continued operation or cleanup? We are preparing a technical memorandum on these issues for the file.
- Option B includes the construction of canals and a 100-year flood storage reservoir on Rocky Flats property. Who is responsible for the design, construction and operation of these facilities? We are analyzing this.
- Who pays for overruns? What adjustment would be in order if Broomfield sells its water rights for more or less than budgeted? An analysis will be provided.
- How are the requirements of NEPA, Corps of Engineers, Colorado Water Court, Colorado Water Quality Control Division, and other local agencies such as the Northern Colorado Water Conservancy District and the Urban Drainage & Flood Control District to be included in Option B?
- Does Option B satisfy the concerns of water users downstream of Great Western Reservoir and Standley Lake? Who pays for additional modifications to the plan to accommodate these concerns?
- The Broomfield Windy Gap budget includes payment (\$13,000,000) for a reservoir that may not be needed for many years. It also includes payment for operation and maintenance costs which will occur over time and could be offset by maintenance costs that would have occurred in the Great Western system. Should these delayed costs and savings be factored into the analysis?

These merely serve as representative questions that have not yet been answered. There are others of similar importance. We are prepared to discuss our findings at any time.

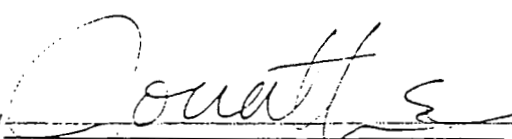
Very truly yours,

WRIGHT WATER ENGINEERS, INC.

By


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By


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